

PUBLIC DISCLOSURE

July 12, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bankers Trust Company
Certificate Number: 953

453 7th Street
Des Moines, Iowa 50309

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Kansas City Regional Office

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Outstanding**.

An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding		X	X
High Satisfactory	X		
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.			

The following points summarize the institution's Community Reinvestment Act (CRA) performance under the Lending, Investment, and Service Tests.

The Lending Test is rated High Satisfactory.

- Lending levels reflect excellent responsiveness to assessment area credit needs.
- The institution made a high percentage of loans in the institution's assessment areas.
- The geographic distribution of loans reflects good penetration throughout the assessment areas.
- The distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels.
- The institution exhibits a good record of serving the credit needs of the most economically disadvantaged areas, low-income individuals and/or very small businesses, consistent with safe and sound banking practices.
- The institution makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs.
- The institution is a leader in making community development loans.

The Investment Test is rated Outstanding.

- The institution has an excellent level of qualified community development investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.
- The institution exhibits excellent responsiveness to credit and community economic development needs.
- The institution makes significant use of innovative and/or complex investments to support community development initiatives.

The Service Test is rated Outstanding.

- Delivery systems are readily accessible to all portions of the institution's assessment areas.
- To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.
- Services (including business hours) are tailored to the convenience and needs of the assessment area, particularly low- and moderate-income geographies and/or individuals.
- The institution is a leader in providing community development services.

DESCRIPTION OF INSTITUTION

Bankers Trust Company (Bankers Trust) is a full-service interstate financial institution headquartered in Des Moines, Iowa. The bank is wholly owned by BTC Financial Corporation, a one-bank financial holding company based in Des Moines, Iowa. Through common ownership, Bankers Trust is also affiliated with non-bank entities that provide wealth management and trust services. Bankers Trust received an "Outstanding" CRA rating at the August 26, 2019, FDIC Performance Evaluation based on Interagency Large Institution Examination Procedures.

Bankers Trust offers a variety of credit products, including commercial, home mortgage, and consumer loans through its 17 full-service offices in Iowa (14) and Arizona (3). Further, the bank operates 10 limited-service mobile offices in Iowa (9) and Arizona (1), and a loan production office in Omaha, Nebraska. Since the prior evaluation, Bankers Trust removed four ATMs and discontinued offering its limited-service mobile offices at two assisted living facilities. Additional details on limited-service office changes are included in the applicable assessment area sections.

Loan products vary slightly by market area; however, commercial loans followed by home mortgage loans continue to represent the institution's primary business lines, followed by consumer loans to a far lesser degree. The bank continues to originate and sell home mortgage loans to secondary market investors and participates in government-sponsored loan programs for businesses and consumers. Generally, the bank's participation in the aforementioned programs assists small businesses and home mortgage or consumer borrowers, including low- and moderate-income persons. Details are presented in the Lending Test under the Innovative or Flexible Lending Practices section of this evaluation. The institution also offers a full line of traditional deposit products, including checking, savings, health savings, individual retirement, and certificate of

deposit accounts. Internet and mobile banking services provide alternative means of accessing loan and deposit accounts.

As of March 31, 2022, the institution reported total assets of \$5,687,018,000, total loans of \$4,042,357,000, and total deposits of \$4,765,089,000. The following table illustrates the bank's loan portfolio.

Loan Portfolio Distribution as of March 31, 2022		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	263,586	6.5
Secured by Farmland	2,849	0.1
Secured by 1-4 Family Residential Properties	386,888	9.5
Secured by Multifamily (5 or more) Residential Properties	157,268	3.9
Secured by Nonfarm Nonresidential Properties	1,849,410	45.8
Total Real Estate Loans	2,660,001	65.8
Commercial and Industrial Loans	1,008,377	25.0
Agricultural Production and Other Loans to Farmers	1,127	<0.1
Consumer Loans	23,687	0.6
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	344,478	8.5
Lease Financing Receivable (net of unearned income)	4,687	0.1
Less: Unearned Income	(0)	(0.0)
Total Loans	4,042,357	100.0
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any impediments that affect the bank's ability to meet the credit needs of its assessment areas.

DESCRIPTION OF ASSESSMENT AREAS

Bankers Trust has designated four assessment areas, which bank management has not changed since the prior evaluation. The Des Moines, Ames, and Cedar Rapids Assessment Areas are comprised of metropolitan counties in Iowa. The Phoenix Assessment Area is comprised of a metropolitan county in Arizona. The Des Moines and Ames assessment areas are contiguous, but are considered two separate metropolitan statistical areas (MSAs). However, since demographics and lending performance were similar in both areas and these areas are part of a combined statistical area (CSA), conclusions were combined for presentation in this evaluation. The following table details the assessment areas as they are presented throughout this performance evaluation.

Description of Assessment Areas			
Assessment Area	Counties in Assessment Area	# of Census Tracts	# of Branches
Iowa			
Des Moines-Ames	Polk and Story	118	20
Cedar Rapids	Linn	45	3
Arizona			
Phoenix	Maricopa	916	4
<i>Source: Bank Data</i>			

Overall, an analysis of the assessment areas during the review period resulted in state ratings for Iowa and Arizona and an overall rating for the bank. Additional information on the assessment areas is located later in the evaluation.

SCOPE OF EVALUATION

General Information

This evaluation covered the period from the prior evaluation dated August 26, 2019, to the current evaluation dated July 12, 2022. Examiners used Interagency Large Institution Examination Procedures to evaluate Bankers Trust's CRA performance using the Lending, Investment, and Service Tests. The criteria for the tests are outlined in the Appendices. The tests are used to determine the bank's overall rating as well as its ratings in the states of Iowa and Arizona. Banks must achieve at least a Low Satisfactory rating under the Lending Test to obtain an overall Satisfactory rating.

Examiners conducted a limited-scope review to evaluate Bankers Trust's performance in the Cedar Rapids Assessment Area, which was based on several factors. These factors include the following: the lesser amount of branches, deposit volume, and lending volume derived from this assessment area when compared to the other Iowa assessment areas; the large presence of other financial institutions in the assessment area; and the fact that this assessment area was reviewed using full-scope procedures at the prior evaluation. Otherwise, the remaining assessment areas received a full-scope review.

Examiners placed the greatest weight on the bank's performance in the State of Iowa when arriving at conclusions since the majority of the bank's lending, deposit, and branch activity occurs in that state. Performance in the State of Arizona received less weight when deriving overall conclusions. The following table reflects the distribution of reported loans, deposits, and branches by each rated area.

Rated Area Breakdown of Loans, Deposits, and Branches			
Rated Area	% Reported Loans (by \$)	% Deposits (by \$)	% Branches (by #)
Iowa	83.8	89.8	85.2
Arizona	16.2	10.2	14.8
Total	100.0	100.0	100.0
<i>Source: CRA and HMDA Reported Data from 2019-2021; Summary of Deposits Data as of June 30, 2021; Bank Data</i>			

Activities Reviewed

Examiners determined the bank's primary product lines are small business and home mortgage loans. This conclusion considered Consolidated Reports of Condition and Income (Report of Condition) data, the number and dollar volume of reported loans during the evaluation period, and the bank's business strategy. Examiners did not evaluate small farm loans or consumer loans due to the limited volume and very small portion of the loan portfolio that these products represent. The table below provides information on the number and dollar volume of loans reviewed.

Loan Products Reviewed						
Loan Category	2019		2020		2021	
	#	\$(000s)	#	\$(000s)	#	\$(000s)
Small Business	336	97,140	1,252	230,700	747	161,252
Home Mortgage	1,241	306,108	1,176	370,661	965	303,178
<i>Source: 2019, 2020, and 2021 CRA and HMDA Reported Data</i>						

CRA aggregate lending data for 2019 and 2020, and D&B data for 2019, 2020, and 2021 provided a standard of comparison for the small business loans reviewed. HMDA aggregate lending data for 2019 and 2020, as well as 2015 American Community Survey (ACS) data provided a standard of comparison for the home mortgage loans reviewed. Examiners placed more weight on the comparisons to the aggregate lending data since it is typically a better indicator of market conditions and loan demand. In general, examiners did not identify any trends between the three years of HMDA data that materially affected conclusions. Therefore, only home mortgage data for 2020 is presented in this evaluation for the Geographic Distribution and Borrower Profile criteria as this is the most recent year with available aggregate data. Examiners also did not identify any trends between the three years of CRA small business data for Geographic Distribution; therefore, only 2020 is presented in this evaluation. However, due to anomalies caused by the significant number of Small Business Administration (SBA) Paycheck Protection Program (PPP) loans originated in 2020 and 2021, examiners presented all three years of CRA small business loan data for Borrower Profile.

For both rated areas, small business lending received the most weight followed by home mortgage lending, resulting from the bank's primary business focus and loan composition. Additional information can be found in the Scope of the Evaluation section for each rated area later in this evaluation.

Community development loans, investments, and services since the previous evaluation dated August 26, 2019, were reviewed and are included in this evaluation. Investments that were made before the prior evaluation, and that remain outstanding, are included at the current book values as

prior period investments. Furthermore, delivery systems and retail banking services, including those targeting low- and moderate-income individuals, were reviewed.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Bankers Trust demonstrated high satisfactory performance under the Lending Test. Of the performance criteria evaluated, examiners placed more weight on the Geographic Distribution, Borrower Profile, and Community Development Lending criteria. Further, the performance is consistent with conclusions in Iowa and Arizona.

Lending Activity

Lending levels reflect excellent responsiveness to the credit needs of the assessment areas. The institution continues to be an active lender by originating a significant volume of small business and home mortgage loans.

Bankers Trust's average net loan-to-deposit ratio was 88.4 percent over the 11 quarter-ends since the prior evaluation and is 83.5 percent as of March 31, 2022. In the combined assessment areas, based on 2020 CRA aggregate data, Bankers Trust ranked 20th, by number, out of 333 lenders for originating small business loans. In the combined assessment areas, based on 2020 HMDA aggregate data, the bank ranked 95th, by number, out of 1,065 lenders for originating and purchasing home mortgage loans. Ultimately, in the combined Iowa assessment areas where examiners placed the greatest weight, Bankers Trust exhibited strong market performance in its two primary product lines by ranking 4th among all small business lenders and 23rd among all home mortgage lenders according to 2020 aggregate data. Bankers Trust ranked 61st among all small business lenders and 185th among all home mortgage lenders according to 2020 aggregate data in the Arizona assessment area.

Bankers Trust originated approximately 2,842 home mortgage secondary market loans totaling \$686.5 million during the review period. These loans are not reflected in the bank's net loan-to-deposit ratio since these loans are sold after origination. Of these secondary market loans, approximately 1,581 home mortgage loans totaling \$352.6 million are not accounted for in Bankers Trust's home mortgage rankings previously mentioned since the bank does not make the credit decision based upon the investor relationship. Bankers Trust's continued participation in offering a variety of home mortgage loan products, including government guaranty and specialized mortgage loan programs, through secondary market relationships demonstrates responsiveness to meeting local home mortgage credit needs. Further, the small business lending data does not include the bank's business credit cards, as Bankers Trust does not report credit card activity. During the review period, the bank opened 98 business credit cards within its assessment areas, which further demonstrates its responsiveness to meeting small business credit needs.

Assessment Area Concentration

A high percentage of loans are made in Bankers Trust's assessment areas, which demonstrates the bank's willingness to meet the credit needs of the assessment areas. Details are provided in the following table.

Lending Inside and Outside of the Combined Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business										
2019	257	76.5	79	23.5	336	75,146	77.4	21,994	22.6	97,140
2020	1,029	82.2	223	17.8	1,252	181,233	78.6	49,467	21.4	230,700
2021	612	81.9	135	18.1	747	122,976	76.3	38,276	23.7	161,252
Subtotal	1,898	81.3	437	18.7	2,335	379,355	77.6	109,737	22.4	489,092
Home Mortgage										
2019	1,000	80.6	241	19.4	1,241	230,312	75.2	75,796	24.8	306,108
2020	927	78.8	249	21.2	1,176	275,591	74.4	95,070	25.6	370,661
2021	748	77.5	217	22.5	965	240,474	79.3	62,704	20.7	303,178
Subtotal	2,675	79.1	707	20.9	3,382	746,377	76.2	233,570	23.8	979,947
Source: CRA Reported Data; HMDA Reported Data Due to rounding, totals may not equal 100.0%										

Geographic Distribution

Overall, the geographic distribution of loans reflects good penetration throughout the institution's assessment areas. Conclusions regarding the bank's overall lending performance is consistent with the conclusions throughout both Iowa and Arizona, which demonstrated good penetration. Emphasis under the Geographic Distribution criterion is placed on the bank's record of lending in low- and moderate-income census tracts. Examiners reviewed only those loans extended within the assessment areas to perform this analysis. A complete discussion of the bank's geographic distribution lending performance can be found in the separate assessment area sections of this evaluation.

Borrower Profile

Overall, the distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels. Conclusions regarding the bank's overall lending performance is consistent with the conclusions throughout Iowa and Arizona, which demonstrated adequate penetration. Examiners focused on the percentage, by number, of small business loans to businesses with gross annual revenues of \$1 million or less, and on the percentage, by number, of home mortgage loans to low- and moderate-income borrowers. Examiners reviewed only those loans extended within the assessment areas to perform this analysis. A complete discussion of the bank's borrower profile lending performance can be found in the separate assessment area sections of this evaluation.

Innovative or Flexible Lending Practices

Bankers Trust makes extensive use of innovative and/or flexible lending practices in order to serve the assessment areas' credit needs. Many of these loan programs require extra effort by bank personnel when compared to conventional loans, which ultimately assist smaller businesses and low- and moderate-income borrowers who might not otherwise qualify for credit. Bankers Trust

reports originating 2,066 loans totaling \$2.4 billion under innovative and/or flexible programs since the prior evaluation.

Bankers Trust continues to offer flexible loan programs that involve government guaranteed loans and sponsored affordable housing program loans offered through various agencies, including the following: SBA; Federal Housing Administration (FHA); Veterans Administration (VA); Federal Home Loan Bank (FHLB); and United States Department of Agriculture (USDA) Rural Development. In addition to traditional SBA loans, Bankers Trust originated a combined 1,440 loans totaling \$403.2 million in 2020 and 2021 through the SBA's PPP. These loans involved flexible underwriting due to unique financial strains on businesses and their employees because of the COVID-19 pandemic. Of these SBA PPP loans, 36 were considered community development loans in this evaluation. The remaining SBA PPP loans were reported as small business loans in 2020 and 2021, as reflected in the data.

Bankers Trust continues to offer its Community Lending Programs, which are specifically designed to assist low- or moderate-income borrowers with qualifying for home purchase mortgage loans. These innovative programs offer a very competitive interest rate, use of alternative credit histories to qualify for a loan, flexible loan-to-value requirements, and no requirement of private mortgage insurance. Versions of these programs are available in all assessment areas. Bankers Trust formed a new partnership with Trellis, a CDFI in Arizona, to assist their clients with obtaining an affordable home loan through Bankers Trust's Community Lending Program in Arizona. Further, Bankers Trust continues its long-standing relationship with Home Opportunities Made Easy (HOME), Inc., which is a HUD-certified housing counseling agency. Most recently, Bankers Trust formed a new partnership with HOME, Inc. to provide free homebuyer education classes to Black, Indigenous, and people of color, as well as those with low- or moderate-incomes to help them prepare for homeownership. These individuals may further obtain financing from any of Bankers Trust's home purchase loan programs, many of which are offered with down payment assistance funds and flexible underwriting requirements. For consumers, Bankers Trust continues to offer its Credit Builder Program, which is a credit card program for applicants who lack credit history and/or scores.

In addition to these programs, the bank maintains its long-standing relationship with Neighborhood Finance Corporation, a CDFI and chartered member of the NeighborWorks American program. Neighborhood Finance Corporation provides mortgage loans to revitalize specific areas, down payment assistance for eligible borrowers, and homebuyer education. Since the prior evaluation, Bankers Trust partnered with Neighborhood Finance Corporation to promote the CDFI's newly created down payment assistance program, Journey to Homeownership.

Bankers Trust continues to originate home mortgage loans that enable low- and moderate-income borrowers to receive grant money through an affordable housing program sponsored by the FHLB of Des Moines and newly arranged a partnership with FHLB of San Francisco (Phoenix area). Further, the bank has enabled borrowers to receive grant money through an affordable housing program from the Polk County Housing Trust Fund. Generally, the bank's role includes compiling and processing additional necessary paperwork (beyond that required for a traditional loan). Therefore, FHLB grants were provided to borrowers in both Iowa and Arizona since the prior evaluation, as shown in the following table.

Overall, the bank makes extensive use of innovative and/or flexible lending practices and programs in order to better serve the assessment areas' credit needs. The following table shows additional details on the bank's flexible and/or innovative lending activity.

Innovative or Flexible Lending Programs										
Type of Program	2019*		2020		2021		2022**		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Bankers Trust Community Lending Programs	4	524	14	2,573	1	179	5	1,091	24	4,367
Bankers Trust Credit Builder	31	13	82	39	135	63	61	29	309	144
City of Phoenix-Neighborhood Stabilization****	1	15	1	15	0	0	0	0	2	30
FHA	20	3,877	30	5,502	22	4,328	14	2,956	86	16,663
FHLB Des Moines Down Payment Assistance***	19	125	11	83	12	90	3	15	45	313
FHLB San Francisco (Phoenix) Down Payment Assistance****^							3	66	3	66
Neighborhood Finance Corporation***	7	78	0	0	0	0	1	11	8	89
Polk County Housing Trust Fund***	0	0	4	60	0	0	0	0	4	60
SBA	6	6,310	1,018	1,863,207	475	452,741	1	150	1,500	2,322,408
USDA Rural Development	2	426	4	799	0	0	1	184	7	1,409
VA	11	2,934	28	7,976	32	9,099	7	1,792	78	21,801
Totals	101	14,302	1,192	1,880,254	677	466,500	96	6,294	2,066	2,367,350
Source: Bank Data *Includes August 27, 2019, through December 31, 2019; **January 1, 2022, through July 12, 2022; ***Only available in State of Iowa; ****Only available in State of Arizona; ^New program in 2022										

Although not included in the above table, Bankers Trust partnered with a local agency that provides essential community services to low- and moderate-income individuals. Through this partnership, Bankers Trust will help finance consumer loans to low-income families so that they can attain access to affordable, reliable transportation. Further, this program is designed to help individuals establish or re-establish credit.

Community Development Loans

Bankers Trust is a leader in making community development loans, which is consistent with the bank's performance in both Iowa and Arizona. The institution originated 102 community

development loans totaling approximately \$348.8 million during the evaluation period. This is an increase of approximately 32.1 percent by dollar volume from the previous evaluation. Of the 102 qualifying community development loans, 36 were SBA PPP loans totaling \$73.7 million.

The bank made loans to various organizations throughout its assessment areas and the broader Iowa statewide area primarily to help support economic development and community services purposes, but also for affordable housing and the revitalization or stabilization of low- and moderate-income geographies. These loans were highly responsive to the opportunities for community development lending, especially in Iowa. The table also includes four loans totaling \$8.3 million that benefited the broader statewide area of Iowa. The bank received credit for these loans because it has been responsive to the assessment areas' lending needs, including community development lending. Bankers Trust's community development lending volume represents 8.8 percent of net loans and 6.1 percent of total assets as of March 31, 2022. This represents an increase in both percentages since the prior evaluation. Further, this community development lending performance is generally favorable when compared to the performance of two similarly situated institutions. Specifically, comparable bank ratios of community development loans to net loans were 2.7 and 10.4 percent; while, the ratios of community development loans to total assets were 2.1 and 5.9 percent. Further details regarding qualified loans made in each assessment area are discussed in the applicable assessment area sections of the evaluation. The following tables illustrate the bank's community development loans by assessment area, purpose, and year.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Des Moines-Ames	10	27,827	40	101,110	21	117,746	3	8,000	74	254,683
Cedar Rapids	5	12,288	6	13,795	4	4,563	1	69	16	30,715
Broader Statewide (Iowa)	1	318	1	4,065	1	2,946	1	1,000	4	8,329
Iowa Total	16	40,433	47	118,970	26	125,255	5	9,069	94	293,727
Phoenix (Arizona Total)	0	0	0	0	6	33,604	2	21,461	8	55,065
Total	16	40,433	47	118,970	32	158,859	7	30,530	102	348,792
Source: Bank Records										

Community Development Lending by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2019 (partial)	4	5,836	5	2,550	1	2,500	1	69	11	10,955
2020	7	22,551	16	37,834	22	93,053	1	3,500	46	156,938
2021	5	12,046	17	34,171	6	35,400	2	21,250	30	102,867
Year-to-Date 2022	0	0	9	44,415	3	27,906	3	5,711	15	78,032
Total	16	40,433	47	118,970	32	158,859	7	30,530	102	348,792
Source: Bank Records										

INVESTMENT TEST

Bankers Trust demonstrated outstanding performance under the Investment Test. The bank's performance as described under the Investment and Grant Activity and Responsiveness to Credit and Community Development Needs sections primarily support this rating. Bankers Trust's overall performance is consistent with the conclusions for both Iowa and Arizona.

Investment and Grant Activity

Bankers Trust has an excellent level of qualified community development investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. Bankers Trust made or retained 330 qualified investments totaling nearly \$32.0 million during the evaluation period. Of the 330 qualified investments, 19 totaling \$9.4 million were made during prior evaluation periods, but remained outstanding as of the current evaluation period; 20 totaling approximately \$21.1 million are newly purchased investments; and 291 totaling nearly \$1.5 million are donations.

Bankers Trust's qualified investment volume represents 0.6 percent of total assets and 3.3 percent of total securities as of March 31, 2022. The bank's volume of qualified investments is lower than the performance of two similarly situated institutions. Specifically, comparable bank ratios of qualified investments to total assets were 0.9 and 1.9 percent whereas the ratios of qualified investments to total securities were 8.7 and 5.3 percent, respectively. However, the bank's qualified investment activity has increased by approximately 18.0 percent, by dollar volume, since the previous evaluation.

The following tables illustrate the bank's qualified investments by assessment area, purpose, and year. The tables also include two investments totaling nearly \$514,000 that benefited the broader statewide area of Iowa. The bank received credit for these investments because it has been responsive to the assessment areas' community development investment needs. Additionally, the bank made seven qualified investments that benefit more than one of the bank's rated areas. These qualified investments include mortgage-backed securities that directly impact low- and moderate-income individuals, and an investment into an SBA loan fund that promotes economic development. Therefore, the Qualified Investments by Assessment Area table reflects the dollars funded or committed within each of the bank's rated areas and assessment areas for each of these investments. This results in a count (#) that is greater than the actual number of qualified investments. The Qualified Investments by Year table reflects the actual number of qualified investments made or held during the CRA evaluation period. Lastly, further details regarding qualified investments made in each assessment area are discussed in the applicable assessment area sections of the evaluation.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing*		Community Services		Economic Development*		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Des Moines-Ames	39	7,133	138	2,852	13	50	8	5,989	198	16,024
Cedar Rapids	15	3,446	52	137	13	452	13	2,065	93	6,100
Broader Statewide (Iowa)	2	514	0	0	0	0	0	0	2	514
Iowa Total	56	11,093	190	2,989	26	502	21	8,054	293	22,638
Phoenix (Arizona Total)	14	7,089	27	124	3	2,110	0	0	44	9,323
Total	70	18,182	217	3,113	29	2,612	21	8,054	337	31,961
Source: Bank Records; *Count (#) is greater than the actual number of investments as a result of mortgage-backed securities or loan pool investments that were structured to benefit more than one of the bank's rated areas.										

Qualified Investments by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	16	5,631	0	0	0	0	3	3,755	19	9,386
2019 (partial)	0	0	0	0	0	0	2	485	2	485
2020	2	2,261	2	2,000	1	2,500	5	3,772	10	10,533
2021	5	7,621	0	0	0	0	0	0	5	7,621
Year-to-Date 2022	3	2,463	0	0	0	0	0	0	3	2,463
Subtotal	26	17,976	2	2,000	1	2,500	10	8,012	39	30,488
Qualified Grants & Donations	38	206	215	1,113	27	112	11	42	291	1,473
Total	64	18,182	217	3,113	28	2,612	21	8,054	330	31,961
Source: Bank Records										

Responsiveness to Credit and Community Development Needs

The institution exhibits excellent responsiveness to credit and community development needs. This is evidenced by the bank's significant investment volume in affordable housing initiatives and revitalization/stabilization efforts, both being identified needs in the bank's assessment areas. Bankers Trust's qualified investments addressed the needs that community contacts stated are prevalent within the assessment areas, especially with regard to participation in low-income and workforce housing projects. Further, numerous donations were provided annually or as part of multi-year pledges, ensuring community development organizations have sustained funding. The volume of donations and grants extended to area organizations is considered highly responsive to community needs and lends further support for Bankers Trust's performance.

Community Development Initiatives

Bankers Trust continues to make significant use of innovative and/or complex investments to support community development initiatives. For example, the bank participates in the purchase of multiple workforce housing tax credit certificates and new market tax credits, which helps to attract and retain residents in areas targeted by the local government. Further, the bank's investment in

five low-income housing tax credit initiatives provides a strong example of this. These five investments provide a combined 423 affordable housing units to low-income individuals.

SERVICE TEST

Bankers Trust demonstrated outstanding performance under the Service Test. This rating is driven by the bank's outstanding performance in the State of Iowa, which is provided the greatest weight when drawing conclusions. Bankers Trust demonstrated high satisfactory performance under the Service Test in the State of Arizona. The Accessibility of Delivery Systems, Reasonableness of Business Hours and Services, and Community Development Services performance primarily supports this assessment.

Accessibility of Delivery Systems

Bankers Trust's delivery systems are readily accessible to all portions of its assessment areas, including low- and moderate-income geographies and individuals. The bank's service delivery systems include 27 offices and 26 ATMs located within its assessment areas, as well as alternative delivery methods. The following table shows the overall distribution of branches, ATMs, and population by tract income level.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	118	10.9	487,568	10.2	0	0.0	0	0.0
Moderate	244	22.6	1,068,998	22.4	4	14.8	2	7.7
Middle	363	33.6	1,626,582	34.0	10	37.1	8	30.8
Upper	338	31.3	1,576,755	33.0	11	40.7	15	57.7
NA*	16	1.5	20,835	0.4	2	7.4	1	3.8
Total	1,079	100.0	4,780,738	100.0	27	100.0	26	100.0
Source: 2015 ACS Data; Bank Data								
Due to rounding, totals may not equal 100.0%								
*NA consists of geographies that have not been assigned an income classification								

Alternate delivery systems are also available to enhance accessibility to financial services. Bankers Trust accountholders have access to more than 75,000 ATMs surcharge-free through the bank's relationships with ATM network providers. The bank offers electronic delivery systems that include internet and mobile banking. The bank's website has information on its products and services, provides customers access to online banking services, and allows users to apply for and open a variety of the bank's deposit accounts. Online banking services include accessing account information, making transfers and loan payments, and sending external transfers or bill payments. Mobile banking is available for customers to access account information, transfer funds, make loan payments, deposit funds, and send money using bill pay and People Pay. Other alternative delivery systems offered include electronic statements and mobile wallet technologies. The bank continues to support its virtual education center as an extension of its website. The education center provides consumers with helpful information regarding personal finances, homeownership, saving for retirement, as well as other financial matters. The education center website serves as a valuable resource for customers, and further demonstrates the bank's dedication to helping its customers.

Changes in Branch Locations

The bank's record of closing and opening branches has not adversely affected the accessibility of its delivery systems, particularly for low- and moderate-income geographies and/or individuals. Since the prior evaluation, the bank discontinued two limited-service mobile offices that were operating from assisted living facilities in Iowa. One location was in a middle-income census tract and another was located in an upper-income census tract. These changes are discussed in more detail in the separate assessment area sections.

Reasonableness of Business Hours and Services

Business hours and services are tailored to the convenience and needs of the assessment area, particularly low- and moderate-income geographies and/or individuals. Branch hours and services are convenient and reasonable in comparison to other financial institutions operating in the assessment areas. Many offices have weekend hours on Saturday and offer extended hours through drive-up windows.

Bankers Trust offers two deposit products in partnership with local non-profit organizations (Iowa Community Capital and Able Up Iowa) that promote financial stability by assisting low- and moderate-income individuals meet their savings goals. As of June 30, 2022, the bank services 313 accounts in partnership with Iowa Community Capital. At this time, there have been no accounts opened in partnership with Able Up Iowa. Beginning October 1, 2021, Bankers Trust began offering its Foundation Checking, which is a Certified Bank On Account. This account was specifically designed to build a positive banking relationship for unbanked or underbanked consumers. Some of the account features include no overdraft, inactive, early closing, or telephone transfer fees; low monthly maintenance fee; free debit card; and access to online and mobile banking. Bankers Trust has opened 12 Foundation Checking accounts since it began offering this account type. Ultimately, these low-cost account offerings provide affordable basic banking services and allow consumers to work toward financial security, which is particularly responsive to low- and moderate-income individuals.

Bankers Trust participates in the Interest on Lawyer's Trust Account (IOLTA) and Interest on Real Estate Trust Account (IORETA) programs, which permits lawyers to deposit funds into interest bearing trust accounts. The interest generated from IOLTAs is donated to the Iowa Lawyer Trust Commission and Arizona Lawyer Trust Foundation to provide legal assistance to low- and moderate-income individuals. The interest generated from IORETAs is donated to the Iowa Finance Authority, Iowa Lawyer Trust Commission, and Iowa Association of Realtors Foundation to provide housing assistance to low- and moderate-income individuals. As of June 30, 2022, Bankers Trust had 52 IOLTAs and 17 IORETAs benefitting the State of Iowa and six IOLTAs benefitting the State of Arizona.

Community Development Services

Bankers Trust is a leader in providing community development services. Examples of community development services include serving on boards and committees and providing financial expertise to 97 qualifying community organizations. Bankers Trust provided 305 services to supporting organizations that meet the needs of affordable housing and community services, to revitalize or stabilize communities and neighborhoods, and to sponsor programs and events that promote

economic development, assist small business owners, and provide banking and financial education services and counseling. Bankers Trust's employees estimate that approximately 5,568 hours were dedicated to providing financial or technical assistance to promote community development. Additionally, Bankers Trust has taken a lead role in providing recurring financial education or counseling courses to assist community development organizations, non-profit organizations, or school districts, including instances whereby financial literacy is a component of obtaining credit.

Bankers Trust's level of community development services significantly exceeded or were comparable to similarly situated institutions, which reported providing technical or financial services 143 and 359 times during the recent evaluation period. The following tables illustrate the bank's community development services by assessment area, purpose, and year. The majority of the services benefitted the State of Iowa, which is where the bank has the majority of its branches and employees. Further details are located in the separate assessment area sections of the evaluation.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Des Moines-Ames	18	143	31	13	205
Cedar Rapids	4	23	2	2	31
Broader Statewide (Iowa)	7	15	15	0	37
Iowa Total	29	181	48	15	273
Phoenix (Arizona Total)	4	24	4	0	32
Total	33	205	52	15	305
<i>Source: Bank Records</i>					

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2019 (partial)	7	56	14	4	81
2020	6	68	13	3	90
2021	10	52	14	4	80
Year-to-Date 2022	10	29	11	4	54
Total	33	205	52	15	305
<i>Source: Bank Records</i>					

While some opportunities to provide financial expertise were limited by the COVID-19 pandemic, the bank provided favorable retail banking services that are responsive to the needs of low- and moderate-income individuals and small businesses. Services included implementing a COVID Relief Program to provide loan payment deferrals, short-term loans, and increased lines-of-credit based upon loan type to those customers facing pandemic-related financial concerns. These services demonstrated responsiveness to the credit needs of the assessment areas.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

IOWA

CRA RATING FOR IOWA: OUTSTANDING

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

DESCRIPTION OF INSTITUTION'S OPERATIONS IN IOWA

Bankers Trust has two assessment areas in Iowa, the Des Moines-Ames Assessment Area and the Cedar Rapids Assessment Area. The bank operates 23 offices and 25 ATMs in the Iowa assessment areas. Details for the individual assessment areas are provided in subsequent sections.

SCOPE OF EVALUATION – IOWA

Examiners evaluated the bank's CRA performance for Iowa through a full-scope review of the Des Moines-Ames Assessment Area and a limited-scope review of the Cedar Rapids Assessment Area. More weight was given to overall conclusions derived from the Des Moines-Ames Assessment Area. Examiners reviewed small business and home mortgage loans and afforded more weight to small business lending when deriving overall conclusions.

CONCLUSIONS ON PERFORMANCE CRITERIA IN IOWA

LENDING TEST

Bankers Trust demonstrated high satisfactory performance under the Lending Test in the State of Iowa. This is consistent with the bank's performance in the Des Moines-Ames and Cedar Rapids Assessment Areas. Details are discussed under each assessment area analysis.

Lending Activity

The bank's lending activity reflects excellent responsiveness to the credit needs of Iowa. Refer to the separate Iowa assessment area sections of this evaluation for specific details.

Geographic Distribution

Overall, the geographic distribution of loans reflects good penetration throughout the assessment areas in Iowa. This is consistent with the bank's performance in the Des Moines-Ames and Cedar Rapids Assessment Areas. Details are discussed in each assessment area analysis.

Borrower Profile

Overall, the distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels throughout the assessment areas in Iowa. This is consistent with the bank's performance in the Des Moines-Ames and Cedar Rapids Assessment Areas. Details are discussed in each assessment area analysis.

Community Development Loans

Bankers Trust is a leader in making community development loans in Iowa. The bank's community development lending has increased from the prior evaluation. Specifically, the bank originated 90 loans totaling approximately \$285.4 million in Iowa assessment areas, and another 4 loans totaling approximately \$8.3 million in greater statewide Iowa areas. These loans primarily supported community services and economic development initiatives. The loans to a lesser extent promoted other community development purposes, including affordable housing and revitalization or stabilization initiatives. The assortment of community development activity is highly responsive to the identified credit needs. Performance is consistent with the Des Moines-Ames Assessment Area. Performance in the Cedar Rapids Assessment Area was below that of the state overall, although the institution originated a relatively high level of community development loans in this assessment area. Refer to each assessment area for more details.

INVESTMENT TEST

Bankers Trust demonstrated outstanding performance under the Investment Test in the State of Iowa. This is consistent with the bank's performance in the Des Moines-Ames and Cedar Rapids Assessment Areas. Details are discussed under each assessment area analysis.

Investment and Grant Activity

The institution has made an excellent level of qualified community development investments and grants, often in a leadership position, including those that are not routinely provided by private investors. Specifically, Bankers Trust made 291 qualified investments totaling \$22.1 million directly benefitting its Iowa assessment areas. Bankers Trust also had two qualified investments totaling nearly \$514,000 that benefited the broader statewide area of Iowa. This represents a slight increase, by dollar volume, from the prior evaluation, which had 311 qualified investments totaling \$21.1 million in Iowa. Overall, investment activities supported community development through affordable housing, community services, economic development, and efforts to revitalize or stabilize low- and moderate-income geographies. Refer to the separate Iowa assessment area sections for additional information.

Responsiveness to Credit and Community Development Needs

The institution exhibits excellent responsiveness to credit and community development needs, considering the available opportunities in Iowa and the investment capacity of the bank. More details on investment activities are described in the separate Iowa assessment area sections.

Community Development Initiatives

Bankers Trust makes significant use of innovative and/or complex investments to support community development initiatives in Iowa. This conclusion is consistent with the performance in the Des Moines-Ames Assessment Area and Cedar Rapids Assessment Area.

SERVICE TEST

Bankers Trust demonstrated outstanding performance under the Service Test in the State of Iowa. This is consistent with the bank's performance in the Des Moines-Ames and Cedar Rapids Assessment Areas. Details are discussed under each assessment area analysis.

Accessibility of Delivery Systems

Delivery systems are readily accessible to all portions of the Iowa assessment areas and is consistent to that of the institution as a whole. The bank's alternative delivery systems also promote the accessibility of bank services to low- and moderate-income individuals and geographies. Refer to the separate assessment area sections of this evaluation for more information.

Changes in Branch Locations

The institution's opening and closing of branches has not adversely affected the accessibility of its banking services and delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. Refer to the Des Moines-Ames Assessment Area section for specific details as changes since the prior evaluation were limited to this area.

Reasonableness of Business Hours and Services

Services, including business hours, are tailored to the convenience and needs of the assessment areas, particularly low- and moderate-income geographies and/or individuals, within Iowa. Branch services, including deposit accounts tailored for low- and moderate-income persons, are convenient and meet the needs within the assessment areas. Further, branch hours are reasonable in comparison to other local financial institutions. This performance is consistent with performance at the institution level.

Community Development Services

Bankers Trust is a leader in providing community development services in the Iowa assessment areas. The bank provided 236 services throughout its Iowa assessment areas during the evaluation period. Bankers Trust also had 37 community development services that received credit for benefitting the broader statewide area of Iowa. Despite challenges posed by the COVID-19 pandemic, the institution has maintained its high level of community development services in the rated area since the prior evaluation when 238 service activities were noted within Iowa assessment areas. Community development services activities supported affordable housing and community services initiatives that primarily benefit low- and moderate-income individuals; activities that promote economic development by creating or retaining jobs; and efforts to revitalize or stabilize certain geographies.

DES MOINES-AMES ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN DES MOINES-AMES ASSESSMENT AREA

The Des Moines-Ames Assessment Area includes all census tracts in Polk and Story counties in Iowa. Both counties comprise a portion of the Des Moines-Ames-West Des Moines, Iowa CSA. According to 2015 ACS data, the assessment area consists of 11 low-, 27 moderate-, 52 middle-, and 26 upper-income census tracts. There are also two census tracts without an income classification. The bank operates 20 offices, of which 12 are full service, and 23 ATMs in the assessment area. Of the 20 offices, four are located in moderate-income census tracts, eight are located in middle-income census tracts, and eight are located in upper-income census tracts. Of the 23 ATMs, two are located in moderate-income census tracts, seven are located in middle-income census tracts, and 14 are located in upper-income census tracts.

Economic and Demographic Data

The table below illustrates select demographic characteristics of the Des Moines-Ames Assessment Area.

Demographic Information of the Des Moines-Ames Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	118	9.3	22.9	44.1	22.0	1.7
Population by Geography	545,955	7.0	19.3	44.2	28.4	1.0
Housing Units by Geography	227,008	6.5	19.5	46.9	27.1	0.0
Owner-Occupied Units by Geography	138,832	3.2	17.8	46.3	32.7	0.0
Occupied Rental Units by Geography	74,118	11.8	21.6	47.8	18.8	0.0
Vacant Units by Geography	14,058	10.8	25.1	47.9	16.2	0.0
Businesses by Geography	62,476	5.3	12.9	50.8	30.7	0.3
Farms by Geography	2,338	2.6	8.2	55.2	34.0	0.0
Family Distribution by Income Level	133,212	21.5	17.8	21.9	38.8	0.0
Household Distribution by Income Level	212,950	25.0	16.1	19.0	40.0	0.0
Median Family Income - Ames, Iowa MSA		\$74,380	Median Housing Value			\$160,373
Median Family Income - Des Moines-West Des Moines, Iowa MSA		\$75,653	Median Gross Rent			\$806
			Families Below Poverty Level			8.8%
Source: 2015 ACS and 2021 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%.						

D&B data for 2021 indicates that service industries represent the largest portion of businesses in the assessment area at 36.9 percent, followed by non-classifiable establishments at 20.9 percent, finance, insurance, and real estate at 11.7 percent, and retail trade at 9.9 percent. In addition, 62.5 percent of area businesses have four or fewer employees, and 90.7 percent operate from a single location.

The table below presents the 2020 Federal Financial Institutions Examination Council (FFIEC)-estimated median family income levels for the assessment area, which are used in the Borrower Profile analysis.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Ames, Iowa MSA Median Family Income				
2020 (\$84,700)	<\$42,350	\$42,350 to <\$67,760	\$67,760 to <\$101,640	≥\$101,640
Des Moines-West Des Moines, Iowa MSA Median Family Income				
2020 (\$84,800)	<\$42,400	\$42,400 to <\$67,840	\$67,840 to <\$101,760	≥\$101,760
<i>Source: FFIEC</i>				

Competition

The Des Moines-Ames Assessment Area is highly competitive for financial services. According to 2021 FDIC Deposit Market Share data, 47 FDIC-insured financial institutions operate 176 offices within the assessment area. Of these institutions, Bankers Trust ranks 3rd with 15.3 percent of the deposit market share. There is moderate competition for small business loans in the assessment area as 136 lenders originated 10,254 small business loans in 2020 based on CRA aggregate data. Of these institutions, Bankers Trust ranked 4th with 7.5 percent of the market share by number. Finally, there is a very high level of competition for home mortgage loans as 385 lenders reported 39,910 HMDA loans in the assessment area in 2020, with Bankers Trust ranking 20th with 1.3 percent of the market share by number.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the area's credit and community development needs. This information helps to determine whether local financial institutions are responsive to those needs. It also shows what credit and community development opportunities are available. Examiners referenced two previously conducted community contact interviews with representatives from economic development entities active in the Des Moines-Ames Assessment Area.

One contact familiar with Story County stated that residents typically live and work in the area, with additional individuals commuting into the area to work. Ames is the home of Iowa State University, which contributes to the fluctuation in the general age and population depending on the time of year. Aside from the college, Mary Greeley Medical Center and two large manufacturing facilities are the major employers in the area. The contact stated that the service sector suffered greatly during the pandemic and had multiple closures. Supply chain issues have continued to impact economic conditions of multiple industries. To adapt, businesses had to institute a shift in strategy and marketing to survive. Additionally, the contact expressed a funding need for start-ups, and loans under \$50,000 for these businesses. The contact stated that overall, financial institutions have been supportive of small businesses. Further, the contact stated that housing stock is limited throughout the area, and the need for quality, affordable housing is on the rise. The contact stated that according to a recent housing study, the Story County population is expected to increase. Housing stock is old, and there are not enough homes available to purchase. New builds tend to be apartments with rentals available, but housing units available to purchase are limited.

A contact familiar with Polk County stated that local banks are very involved in the community, and there is a healthy level of banking-related competition. This contact also mentioned that the area is in need of more affordable housing, and further stated that local Community Development Block Grant funds are available to support this need. The contact also mentioned that supply chain issues have hindered construction of new housing, and that the area is in need of more rental units to provide workforce housing. The contact stated there are many small businesses in the area, although there is a concentration of small businesses in the downtown Valley Junction area, which has been designated for redevelopment by the City of West Des Moines.

Credit and Community Development Needs and Opportunities

Examiners reviewed information from the community contacts, bank management, and demographic and economic data to determine assessment area needs and opportunities. Examiners concluded that commercial and home mortgage lending represent the primary credit needs of the Des Moines-Ames Assessment Area. The assessment area's community development needs are primarily related to affordable housing, economic development, and community services. Further, there is opportunity for revitalization and stabilization due to the number of low- and moderate-income geographies and area designated for redevelopment in the assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN DES MOINES-AMES ASSESSMENT AREA

LENDING TEST

Bankers Trust demonstrated high satisfactory performance under the Lending Test in the Des Moines-Ames Assessment Area. The bank's combined performance under all of the performance criteria contributes to this conclusion.

Lending Activity

The bank's lending activity reflects excellent responsiveness to the credit needs of the Des Moines-Ames Assessment Area. According to the bank's reported CRA and HMDA loan data from 2019 through 2021, the bank originated 68.7 percent, by number, of loans in the assessment area, whereas, according to the 2021 Deposit Market Share report, 82.4 percent of the bank's deposits came from the assessment area. In 2020, the bank reported 771 small business loans totaling \$125.7 million and 533 home mortgage loans totaling \$138.2 million. As previously noted, the bank ranked 4th in market share for small business loans and 20th for home mortgage loans in this assessment area.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the assessment area. The combined performance of the bank's good small business lending and adequate home mortgage lending supports this conclusion. Small business lending carried the most weight, resulting in good performance overall.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the assessment area when compared to aggregate data. As shown in the following table, the bank's record of originating small business loans, by number, in low-income geographies slightly exceeds

both aggregate lending and demographic data. The bank's record of originating small business loans, by number, in moderate-income geographies is comparable to aggregate lending data and slightly below demographic data.

Geographic Distribution of Small Business Loans Des Moines-Ames Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.2	4.2	48	6.2	8,747	7.0
Moderate	12.6	11.7	84	10.9	11,329	9.0
Middle	51.7	51.6	417	54.1	69,617	55.4
Upper	30.2	32.4	222	28.8	35,970	28.6
Not Available	0.3	0.0	0	0.0	0	0.0
Totals	100.0	100.0	771	100.0	125,663	100.0
<i>Source: 2020 D&B Data; 2020 CRA Reported Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the assessment area when compared to aggregate data. The bank's record of originating home mortgage loans in low-income geographies is slightly higher than aggregate data, although the bank's record of originating home mortgage loans in moderate-income geographies is slightly lower than aggregate lending data, as illustrated in the following table. Management commented about the high degree of home mortgage lending competition, especially when considering the limited housing stock and that home buyers have been offering above asking price and large down payments. The contact also stated that housing stock is limited throughout the area. Examiners' review of CRA market share data confirms there is significant competition for home mortgage loans within this assessment area. Further, aggregate lending data in the moderate-income census tracts identifies that larger national banks and credit unions originated the most loans in these tracts.

Geographic Distribution of Home Mortgage Loans Des Moines-Ames Assessment Area						
Tract Income Level	% of Owner- Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	3.2	1.6	12	2.3	15,868	11.5
Moderate	17.8	11.5	47	8.8	6,082	4.4
Middle	46.3	43.1	202	37.9	47,207	34.2
Upper	32.7	43.8	272	51.0	69,032	50.0
Totals	100.0	100.0	533	100.0	138,189	100.0
<i>Source: 2015 ACS Data; 2020 HMDA Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>						

Borrower Profile

The distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels. The bank's adequate lending performance in small business and home mortgage lending supports this conclusion.

As previously stated, the Des Moines and Ames assessment areas are two separate MSAs, although were combined for presentation in this evaluation. It is noted that while overall borrower profile performance in both the Des Moines and Ames assessment areas is adequate, the bank's home mortgage lending performance in the Ames assessment area is considered poor. This conclusion for the Ames Assessment Area received less weight when compared to the bank's adequate penetration of small business lending, resulting in an overall adequate conclusion.

Small Business Loans

The distribution of borrowers reflects adequate penetration among businesses with gross annual revenues of \$1 million or less when compared to aggregate data. As illustrated in the following table, the bank's small business lending in 2019 is slightly lower than aggregate data, which is more reflective of typical bank performance when compared to 2020 and 2021 performance. In both 2020 and 2021, the bank's small business lending is significantly lower than aggregate performance; however, a majority of small business loans did not have revenue information available, because this category includes PPP loan originations whereby the bank was not required to collect revenue information. In 2020, of the 476 loans with no revenue information available, approximately 77.5 percent were to borrowers with loan sizes of \$100,000 or less. In 2021, 81.2 percent of the 255 loans with no revenue information available were to borrowers with loan sizes of \$100,000 or less. These smaller sized loans further indicate the bank's willingness to serve the needs of smaller businesses. Finally, Bankers Trust opened approximately 79 business credit cards in this assessment area during the CRA evaluation period, which is not reflected in the table. Of the 79 credit cards, 53 were opened with a smaller credit limit of \$25,000 or less, which supports the bank's willingness to serve the needs of smaller businesses.

Distribution of Small Business Loans by Gross Annual Revenue Category Des Moines-Ames Assessment Area						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
<=\$1,000,000						
2019	83.5	47.2	69	41.8	11,191	24.3
2020	85.3	39.2	128	16.6	18,134	14.4
2021	86.6	--	78	16.9	12,263	14.6
>\$1,000,000						
2019	5.5	--	93	56.4	34,798	75.4
2020	4.8	--	167	21.7	61,150	48.7
2021	4.2	--	128	27.8	51,330	61.3
Revenue Not Available						
2019	10.9	--	3	1.8	157	0.3
2020	9.9	--	476	61.7	46,379	36.9
2021	9.2	--	255	55.3	20,153	24.1
Totals						
2019	100.0	100.0	165	100.0	46,146	100.0
2020	100.0	100.0	771	100.0	125,663	100.0
2021	100.0	--	461	100.0	83,746	100.0
Source: 2019, 2020, & 2021 D&B Data; 2019, 2020, & 2021 CRA Reported Data; 2019 & 2020 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

As depicted in the table below, the distribution of borrowers reflects adequate penetration among individuals of different income levels, including low- and moderate-income borrowers, primarily when compared to aggregate data and when considering additional factors. The bank's performance to low-income individuals is slightly lower than aggregate performance, although the performance is significantly lower than demographics. The bank's performance for moderate-income individuals lags both aggregate and demographics. According to 2015 ACS data, the median housing value in the Des Moines-Ames Assessment Area is \$160,373 and the adjusted 2020 median family income for the two MSA areas, Des Moines-West Des Moines and Ames, is \$84,800 and \$84,700, respectively. In addition, 8.8 percent of families in the assessment area live below the poverty level. As such, lower-income borrowers may face challenges in qualifying for a home mortgage loan. Further, both of the community contacts identified a shortage of affordable housing in the assessment area, which may limit opportunities for lending to low- and moderate-income borrowers. In 2021, Bankers Trust entered into an agreement with an affordable housing organization to purchase home mortgage loans that had been originated to low- or moderate-income borrowers in this assessment area. The eight loans purchased for approximately \$1.0 million improved lending performance to low- and moderate-income borrowers in 2021, when the bank's lending performance to low-income borrower's boosts to 9.8 percent. Lastly, the assessment area contains significant home mortgage loan competition. Given these mitigating factors, the bank's performance is adequate.

Distribution of Home Mortgage Loans by Borrower Income Level Des Moines-Ames Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	21.5	7.1	30	5.6	3,062	2.2
Moderate	17.8	18.1	64	12.0	8,048	5.8
Middle	21.9	21.8	78	14.6	11,648	8.4
Upper	38.8	35.6	291	54.6	80,117	58.0
Not Available	0.0	17.3	70	13.1	35,314	25.6
Totals	100.0	100.0	533	100.0	138,189	100.0
Source: 2015 ACS Data; 2020 HMDA Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%						

Community Development Loans

Bankers Trust is a leader in making community development loans in the Des Moines-Ames Assessment Area. The bank made 74 community development loans totaling \$254.7 million during the evaluation period that benefited this assessment area; \$57.9 million of which were PPP loans. Notable examples of community development loans in the assessment area includes a loan for \$49.4 million in 2020 to finance construction of industrial property for a new business operation that supports job creation for low- and moderate-income individuals. In addition, in 2021, the bank originated a loan for \$8.4 million to construct a 50-unit multifamily dwelling, of which 45 units are set-aside low-income housing tax credit units.

INVESTMENT TEST

Bankers Trust demonstrated outstanding performance under the Investment Test in the Des Moines-Ames Assessment Area. The bank's performance as described under the Investment and Grant Activity and Responsiveness to Credit and Community Development Needs sections primarily support this rating.

Investment and Grant Activity

Bankers Trust has an excellent level of qualified community development investments and donations, often in a leadership position, particularly those not routinely provided by private investors. The Des Moines-Ames Assessment Area received consideration for 198 qualified investments, grants, and donations totaling approximately \$16.0 million. Specifically, Bankers Trust held eight investments totaling approximately \$4.5 million that are outstanding from the previous evaluation, and made ten new investments totaling nearly \$8.3 million during the review period. Of the equity investments that impact multiple rated areas, six were held or newly made totaling \$2.1 million that specifically benefit the Des Moines-Ames Assessment Area. In addition, the bank provided 174 donations or grants totaling approximately \$1.1 million. The investments and donations supported community development through affordable housing, community services, economic development, and efforts to revitalize or stabilize low- and moderate-income geographies.

Responsiveness to Credit and Community Development Needs

Bankers Trust exhibits excellent responsiveness to the credit and community development needs of the Des Moines-Ames Assessment Area. Affordable housing is a significant need in the area, and a majority of equity investments supported this initiative. Further, the bank made equity investments that provide financing for workforce housing projects and other housing developments under statewide tax incentive housing programs that further support the need for additional housing, including in low- and moderate-income geographies. The volume of donations and grants extended to area organizations that provide essential community services for low- and moderate-income individuals is considered highly responsive to community needs and lends further support for Bankers Trust's performance. Bankers Trust has sustained its high level of donations and grants to organizations in this assessment area since the prior evaluation when it provided 197 donations totaling over \$1 million that impacted this assessment area. Many donations were provided annually or as part of multi-year pledges, ensuring that community development organizations have sustained funding.

Community Development Initiatives

Bankers Trust continues to make significant use of innovative and/or complex investments to support community development initiatives in the Des Moines-Ames Assessment Area.

SERVICE TEST

Bankers Trust demonstrates outstanding performance under the Service Test in the Des Moines-Ames Assessment Area. Performance under Community Development Services, Accessibility of Delivery Systems, and Reasonableness of Business Hours and Services primarily supports this conclusion.

Accessibility of Delivery Systems

Bankers Trust's delivery systems are readily accessible to all portions of the assessment area. Of the 20 offices in this assessment area, four are located in moderate-income census tracts and two are full-service facilities. Both of the full-service offices in moderate-income census tracts include onsite ATMs. Furthermore, the alternative delivery methods provide further access to bank services and are consistent with those discussed in the bank's overall performance.

Changes in Branch Locations

The bank's closing of two limited-service branches has not adversely affected the accessibility of its banking services and delivery systems, particularly for low- and moderate-income geographies and/or individuals. Since the prior evaluation, the bank discontinued two limited-service mobile offices that were operating from assisted living facilities in this assessment area. One location was in a middle-income census tract and the other was located in an upper-income census tract.

Reasonableness of Business Hours and Services

Services, including business hours, are tailored to the convenience and needs of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services

Bankers Trust is a leader in providing community development services in this assessment area, with 205 qualifying services that provided approximately 3,400 hours of service to 66 organizations. The bank demonstrated its continued commitment and responsiveness to community needs by engaging in activities that promote affordable housing, provide community services, initiate economic development, and revitalize and/or stabilize qualifying geographies. Notable examples include three bank employees who provided over 200 hours of service attending Board, Executive, and Fundraising Committee meetings for a non-profit housing organization that creates opportunities for quality, affordable housing for low- and moderate-income individuals. Further, bank employees have explored new partnerships with this organization, which involves bank officers providing free homebuyer education classes and ensuring Bankers Trust's most affordable home loan purchase programs are made available to qualified applicants. Another example includes a bank officer who served over 90 hours as a Board member to an organization that focuses on economic development by providing small businesses with counseling and technical assistance services, providing business education, tax planning services, and microloans. A final example includes 14 employees that devoted almost 500 combined hours of service to an organization that focuses on meeting essential community needs of low- or moderate-income persons. These employees contributed in various capacities such as serving on the Board or various committees, conducting and planning fundraising events, or directly providing services to low- and moderate-income persons such as tax preparation.

CEDAR RAPIDS ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN CEDAR RAPIDS ASSESSMENT AREA

The Cedar Rapids Assessment Area includes all census tracts in Linn County in Iowa, which is part of the Cedar Rapids, Iowa MSA. According to 2015 ACS data, the assessment area consists of two low-, 11 moderate-, 25 middle-, and six upper-income census tracts. There is also one census tract without an income classification. The bank operates three offices, two of which are full-service, and two ATMs in the assessment area. Of the three offices, one is located in a middle-income census tract and two are located in census tracts without an income classification. Of the two ATMs, one is located in a middle-income census tract and one is located in a census tract with no income classification. The table below illustrates select demographic characteristics of the Cedar Rapids Assessment Area.

Demographic Information of the Cedar Rapids Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	45	4.4	24.4	55.6	13.3	2.2
Population by Geography	216,640	1.8	19.8	59.1	18.0	1.4
Housing Units by Geography	94,058	1.9	21.4	60.4	15.2	1.1
Owner-Occupied Units by Geography	64,274	0.9	17.6	61.5	19.8	0.2
Occupied Rental Units by Geography	23,044	4.0	31.2	56.9	4.9	3.1
Vacant Units by Geography	6,740	3.8	24.7	62.8	6.2	2.4
Businesses by Geography	21,553	4.4	16.7	53.8	20.0	5.0
Farms by Geography	940	1.3	9.7	62.3	26.1	0.6
Family Distribution by Income Level	54,653	18.6	17.7	23.8	39.9	0.0
Household Distribution by Income Level	87,318	23.4	16.3	18.6	41.7	0.0
Median Family Income - Cedar Rapids, Iowa MSA		\$75,812	Median Housing Value			\$149,515
			Median Gross Rent			\$676
			Families Below Poverty Level			6.3%
Source: 2015 ACS and 2021 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%						

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CEDAR RAPIDS ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in the Cedar Rapids Assessment Area is consistent with the performance in the State of Iowa. Examiners drew conclusions regarding the bank's lending performance from reviewing facts and data, including performance figures, aggregate lending data comparisons, and demographic information. In 2020, the bank originated 135 small business loans totaling \$26.0 million and 152 home mortgage loans totaling \$37.9 million in the Cedar Rapids Assessment Area. Tables demonstrating the bank's geographic and borrower distribution performance for this assessment area are in the Appendices.

Bankers Trust's community development lending performance in this assessment area is below the bank's performance in the State of Iowa; however, it does not change the conclusions for the State. Since the previous evaluation, the bank originated 16 community development loans totaling approximately \$30.7 million in this assessment area. This level of lending reflects a slight decline from the 30 community development loans totaling \$36.0 million at the previous evaluation.

INVESTMENT TEST

The bank's Investment Test performance in the Cedar Rapids Assessment Area is consistent with its performance in the State of Iowa. Bankers Trust made 93 qualified investments and donations totaling \$6.1 million during this evaluation compared to the 90 qualified investments and donations totaling \$4.0 million at the previous evaluation.

SERVICE TEST

The bank's Service Test performance in the Cedar Rapids Assessment Area is consistent with its performance in the State of Iowa. Bank employees provided 31 instances of community development services totaling over 1,300 hours of financial expertise or technical assistance to 14 organizations. A notable example includes three employees that devoted over 275 combined hours of service to an organization that focuses on meeting the educational needs, workforce readiness, and health and wellness needs of low- or moderate-income persons. These employees contributed in various capacities such as serving on the Board or various committees as well as conducting and planning fundraising events. Another example includes three bank employees who provided over 130 hours of service while attending Board and committee meetings, providing homebuyer education, and reviewing applications on behalf of a non-profit housing organization that provides quality, affordable housing for low- and moderate-income individuals.

ARIZONA

CRA RATING FOR ARIZONA: SATISFACTORY

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ARIZONA

Bankers Trust has delineated one assessment area in the State of Arizona, which includes all census tracts in Maricopa County in the Phoenix-Mesa-Chandler, Arizona MSA. According to 2015 ACS data, the assessment area consists of 105 low-, 206 moderate-, 286 middle-, and 306 upper-income census tracts. There are also 13 census tracts without an income classification. The bank operates four offices, three of which are full service, and one ATM in this assessment area. Of the four offices and one ATM, one office is located in a middle-income census tract while three offices and the sole ATM are located in upper-income census tracts.

Economic and Demographic Data

The table below illustrates select demographic characteristics of the Phoenix Assessment Area.

Demographic Information of the Phoenix Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	916	11.5	22.5	31.2	33.4	1.4
Population by Geography	4,018,143	11.1	22.9	31.3	34.4	0.3
Housing Units by Geography	1,668,555	9.8	23.4	33.3	33.4	0.1
Owner-Occupied Units by Geography	875,327	4.6	18.8	34.7	41.9	0.0
Occupied Rental Units by Geography	567,191	17.1	29.4	31.2	21.9	0.3
Vacant Units by Geography	226,037	11.8	25.6	33.2	29.3	0.2
Businesses by Geography	792,533	7.0	15.2	29.5	47.8	0.5
Farms by Geography	12,656	7.2	18.5	28.9	45.1	0.3
Family Distribution by Income Level	945,115	21.8	16.9	19.2	42.2	0.0
Household Distribution by Income Level	1,442,518	23.3	16.3	17.7	42.7	0.0
Median Family Income - Phoenix-Mesa-Chandler, Arizona MSA	\$63,686	Median Housing Value				\$203,811
		Median Gross Rent				\$993
		Families Below Poverty Level				12.6%
Source: 2015 ACS and 2021 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%						

D&B data for 2021 indicates that service industries represent the largest portion of businesses in the assessment area at 33.9 percent, followed by non-classifiable establishments at 32.1 percent, finance, insurance, and real estate at 12.7 percent, and retail trade at 7.5 percent. In addition, 59.1 percent of area businesses have four or fewer employees, and 96.1 percent operate from a single location.

The table below presents the 2020 FFIEC-estimated median family income levels for the assessment area, which are used in the Borrower Profile analysis.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Phoenix-Mesa-Chandler, Arizona MSA Median Family Income				
2020 (\$77,800)	<\$38,900	\$38,900 to <\$62,240	\$62,240 to <\$93,360	≥\$93,360
<i>Source: FFIEC</i>				

Competition

The Phoenix Assessment Area is highly competitive for financial services. According to 2021 FDIC Deposit Market Share data, 58 FDIC-insured financial institutions operate 693 offices within the assessment area. Of these institutions, Bankers Trust ranks 23rd with 0.3 percent of the deposit market share. There is significant competition for small business loans in the assessment area as 317 lenders originated 120,047 small business loans in 2020 based on CRA aggregate data. Of these institutions, Bankers Trust ranked 61st with 0.1 percent of the market share by number. Finally, there is a very high level of competition for home mortgage loans as 966 lenders reported 394,734 HMDA loans in the assessment area in 2020, with Bankers Trust ranking 185th with 0.1 percent of the market share by number.

Community Contacts

Examiners referenced two previously conducted community contact interviews with representatives from a small business development entity and a community services organization active in the Phoenix Assessment Area.

One contact stated that small businesses are in need of operating capital, primarily for expansion purposes. The contact mentioned that despite the pandemic, there was a lot of revenue growth for businesses in 2020 and 2021. However, this growth was mainly for smaller businesses with 10-30 employees. The contact stated that small businesses need technical assistance, such as education pertaining to marketing and bookkeeping, which is currently offered through the SBA, women's business centers, and other organizations. Although there is some financial education available for businesses, the contact mentioned the need for more financial education.

Another contact stated that housing costs, including rent, have dramatically increased. The contact mentioned that there is a significant housing supply shortage in the area, and Phoenix is now one of the least affordable housing cities in the nation. The contact stated that there needs to be more housing rental assistance and more landlords willing to accept this form of payment. Construction costs have also risen and a scarcity of labor and materials, even prior to the pandemic, have further impacted the availability of housing. Other contributing factors to the low availability of housing include the lack of access to developable land and the fact that about 50 percent of the housing supply is off the market as it is being used as short-term vacation rentals. The contact stated that some local financial institutions have been responsive to helping meet the housing needs of low- and moderate-income individuals by partnering with the organization. However, there could be more institutions that participate in the FHLB's Affordable Housing Program, which provides grant

assistance for low- and moderate-income individuals for housing costs. Finally, the contact stated there needs to be more financial education for renters and homeowners.

Credit and Community Development Needs and Opportunities

Examiners reviewed information from the community contacts, bank management, and demographic and economic data to determine assessment area needs and opportunities. Examiners concluded that commercial and home mortgage lending represent the primary credit needs of the Phoenix Assessment Area. The assessment area's community development needs are primarily related to affordable housing, economic development, and community services. Further, there is opportunity for revitalization and stabilization due to the number of low- and moderate-income geographies in the assessment area. Finally, the contacts mentioned that additional financial education for small businesses and individuals is a need in the assessment area.

SCOPE OF EVALUATION – ARIZONA

Examiners evaluated the bank's CRA performance for the State of Arizona through a full-scope review of its sole assessment area in the state, the Phoenix Assessment Area. Examiners reviewed small business and home mortgage loans and afforded more weight to small business lending when deriving overall conclusions.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ARIZONA

LENDING TEST

Bankers Trust demonstrated high satisfactory performance under the Lending Test in the Phoenix Assessment Area. The bank's combined performance under all of the performance criteria contributes to this conclusion.

Lending Activity

The bank's lending activity reflects good responsiveness to the credit needs of the Phoenix Assessment Area. According to the bank's reported CRA and HMDA loan data from 2019 through 2021, the bank originated 16.2 percent, by number, of loans in the assessment area, whereas, according to the 2021 Deposit Market Share report, 10.2 percent of the bank's deposits came from the assessment area. In 2020, the bank reported 123 small business loans totaling \$29.6 million and 242 home mortgage loans totaling \$99.5 million. As previously noted, the bank ranked 61st in market share for small business loans and 185th for home mortgage loans in this assessment area.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the assessment area. The combined performance of the bank's excellent small business lending and adequate home mortgage lending supports an overall good penetration.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the assessment area when compared to aggregate data. As shown in the following table, the bank's

record of originating small business loans, by number, in both low- and moderate-income geographies exceeds both aggregate lending and demographic data.

Geographic Distribution of Small Business Loans Phoenix Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	7.2	6.8	11	8.9	2,043	6.9
Moderate	15.0	16.6	29	23.6	8,934	30.2
Middle	29.9	26.6	26	21.1	6,360	21.5
Upper	47.3	49.3	54	43.9	11,274	38.1
Not Available	0.6	0.7	3	2.4	959	3.2
Totals	100.0	100.0	123	100.0	29,570	100.0
Source: 2020 D&B Data; 2020 CRA Reported Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the assessment area when compared to aggregate data. The bank's record of originating home mortgage loans in both low- and moderate-income geographies is slightly lower than aggregate data, as illustrated in the following table. As previously noted, there is significant competition for home mortgage loans within this assessment area. Further, aggregate lending data in the combined low- and moderate-income census tracts identifies that mortgage companies and larger banks originated the most loans in these tracts.

Geographic Distribution of Home Mortgage Loans Phoenix Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	4.6	2.9	3	1.2	729	0.7
Moderate	18.8	13.0	28	11.6	7,075	7.1
Middle	34.7	34.1	57	23.6	21,000	21.1
Upper	41.9	49.4	154	63.6	70,704	71.1
Not Available	0.0	0.7	0	0.0	0	0.0
Totals	100.0	100.0	242	100.0	99,508	100.0
Source: 2015 ACS Data; 2020 HMDA Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels. The bank's adequate lending performance in small business and home mortgage lending supports this conclusion.

Small Business Loans

The distribution of borrowers reflects adequate penetration among businesses with gross annual revenues of \$1 million or less when compared to aggregate data. As illustrated in the following table, the bank's small business lending in 2019 is lower than aggregate data. Discussions with management indicated that significant competition is present, which was confirmed by market share data. Further, two of the bank's offices in this assessment area are located in retirement communities where small business lending opportunities may be more limited. In both 2020 and 2021, the bank's small business lending is significantly lower; however, a significant percentage of small business loans did not have revenue information available, because this category includes PPP loan originations whereby the bank was not required to collect revenue information. In 2020, of the 76 loans with no revenue information available, approximately 47.4 percent were to borrowers with loan sizes of \$100,000 or less. In 2021, 46.9 percent of the 32 loans with no revenue information available were to borrowers with loan sizes of \$100,000 or less. These smaller sized loans further indicate the bank's willingness to serve the needs of smaller businesses. Finally, five of the seven business credit cards that Bankers Trust opened in this assessment area during the CRA evaluation period had a smaller credit limit of \$30,000 or less, which supports the bank's willingness to serve the needs of smaller businesses.

Distribution of Small Business Loans by Gross Annual Revenue Category Phoenix Assessment Area						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
<=\$1,000,000						
2019	89.7	49.6	6	24.0	1,739	18.6
2020	93.1	40.1	13	10.6	3,874	13.1
2021	92.1	--	11	18.0	5,160	24.1
>\$1,000,000						
2019	3.5	--	17	68.0	7,555	81.0
2020	2.3	--	34	27.6	12,747	43.1
2021	1.8	--	18	29.5	8,921	41.7
Revenue Not Available						
2019	6.9	--	2	8.0	35	0.4
2020	4.7	--	76	61.8	12,949	43.8
2021	6.1	--	32	52.5	7,297	34.1
Totals						
2019	100.0	100.0	25	100.0	9,329	100.0
2020	100.0	100.0	123	100.0	29,570	100.0
2021	100.0	--	61	100.0	21,378	100.0
<i>Source: 2019, 2020, & 2021 D&B Data; 2019, 2020, & 2021 CRA Reported Data; 2019 & 2020 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Home Mortgage Loans

The distribution of borrowers reflects adequate penetration among individuals of different income levels, including low- and moderate-income borrowers when compared to aggregate data. Although the bank's performance to both low- and moderate-income individuals lags aggregate performance, there are additional factors to consider in evaluating the bank's performance. According to 2015 ACS data, the median housing value in the Phoenix Assessment Area is \$203,811 and the adjusted 2020 median family income for the MSA area is \$77,800. In addition, 12.6 percent of families in the assessment area live below the poverty level. As such, lower-income borrowers may face challenges in qualifying for a home mortgage loan. As previously stated, a community contact identified that Phoenix is considered one of the least affordable housing cities in the nation, and specifically mentioned that more financial institutions should participate in the FHLB of San Francisco's (Phoenix) Affordable Housing Program, which provides grant assistance for low- and moderate-income individuals for housing costs. In 2022, Bankers Trust partnered with the above-mentioned FHLB to offer loans within one of its affordable home loan programs, the Workforce Initiative Subsidy for Homeownership down payment assistance program. To date, the bank has originated three loans with grants totaling \$66,000 for low- and moderate-income first-time homebuyers. As previously mentioned, Bankers Trust has partnered with multiple additional organizations within the assessment area to assist with providing affordable home loan options, homebuyer counseling, and other technical services primarily to low- and moderate-income borrowers. Lastly, the assessment area contains significant home mortgage loan competition, and aggregate lending data revealed that mortgage companies and larger national banks originated the most loans to low- and moderate-income borrowers. When considering these factors, the overall borrower distribution of home mortgage loans reflects adequate penetration.

Distribution of Home Mortgage Loans by Borrower Income Level Phoenix Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	21.8	4.5	1	0.4	64	0.1
Moderate	16.9	16.1	18	7.4	3,576	3.6
Middle	19.2	20.3	29	12.0	7,934	8.0
Upper	42.2	40.7	176	72.7	77,077	77.5
Not Available	0.0	18.4	18	7.4	10,857	10.9
Totals	100.0	100.0	242	100.0	99,508	100.0
<i>Source: 2015 ACS Data; 2020 HMDA Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>						

Community Development Loans

Bankers Trust is a leader in making community development loans in the Phoenix Assessment Area. The bank's community development lending in Arizona has slightly increased from the prior evaluation. The bank made eight community development loans totaling \$55.1 million during the evaluation period that benefited this assessment area; \$3.2 million of which were PPP loans. These loans supported economic development and revitalization or stabilization initiatives. Notable examples of community development loans in the assessment area includes a loan for \$20.2 million in 2021 to acquire and rehab three commercial buildings located in low-income geographies to help

revitalize these areas. In addition, in 2022, the bank originated a loan for \$21.3 million to construct a new retail development, which will create jobs for low- and moderate-income individuals.

INVESTMENT TEST

Bankers Trust demonstrated outstanding performance under the Investment Test in the Phoenix Assessment Area. The bank's performance as described under the Investment and Grant Activity and Responsiveness to Credit and Community Development Needs sections primarily support this rating.

Investment and Grant Activity

Bankers Trust has an excellent level of qualified community development investments and donations, often in a leadership position, particularly those not routinely provided by private investors. The Phoenix Assessment Area received consideration for 44 qualified investments, grants, and donations totaling approximately \$9.3 million. Specifically, Bankers Trust held one investment totaling \$85,952 that remains outstanding from the previous evaluation, and made three new investments totaling \$5.0 million during the review period. Of the equity investments that impact multiple rated areas, six were held or newly made totaling \$4.1 million that specifically benefit the Phoenix Assessment Area. Overall, the bank's qualified investment and donation activity in this assessment area has increased by approximately 56.1 percent, by dollar volume, since the previous evaluation. In addition, the bank provided 34 donations or grants totaling \$146,400. The investments and donations supported community development through affordable housing, community services, and economic development initiatives.

Responsiveness to Credit and Community Development Needs

Bankers Trust exhibits excellent responsiveness to the credit and community development needs of the Phoenix Assessment Area. Affordable housing is a significant need in the area, and a majority of equity investments supported this initiative. Donations primarily provide support to organizations that provide essential community services to provide for and improve the lives of low- and moderate-income individuals, especially when considering the 12.6 percent of assessment area families below poverty level. Lastly, many donations were provided annually or as part of multi-year pledges, ensuring that community development organizations have sustained funding.

Community Development Initiatives

Bankers Trust occasionally uses innovative and/or complex investments to support community development initiatives in this assessment area.

SERVICE TEST

Bankers Trust demonstrates high satisfactory performance under the Service Test in the Phoenix Assessment Area. Performance under Community Development Services, Accessibility of Delivery Systems, and Reasonableness of Business Hours and Services primarily supports this conclusion.

Accessibility of Delivery Systems

The institution's delivery systems are accessible to essentially all portions of this assessment area. Bankers Trust operates four branches in this assessment area, of which none are located in low- or

moderate-income geographies. However, the bank's alternative delivery methods provide access to bank services and are consistent with those discussed in the bank's overall performance.

Changes in Branch Locations

No branches were opened or closed in the Phoenix Assessment Area during the evaluation period.

Reasonableness of Business Hours and Services

Services, including business hours, are tailored to the convenience and needs of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance. Although the two deposit accounts offered in conjunction with local non-profit organizations are only available in the Iowa assessment areas (as mentioned in the overall bank-wide discussion), the institution's new Foundation Checking, a Certified Bank On Account, is available within the Phoenix Assessment Area. This account was specifically designed to build a positive banking relationship for unbanked or underbanked consumers. In addition, the account features previously mentioned in the overall bank-wide discussion are tailored so that Bankers Trust offers an affordable deposit account for low- and moderate-income individuals.

Community Development Services

Bankers Trust is a leader in providing community development services in this assessment area, with 32 qualifying services that provided nearly 250 hours of service to four organizations. Despite challenges posed by the COVID-19 pandemic, the institution has increased its level of community services in the rated area since the prior evaluation when 19 service activities were noted. The bank demonstrated its continued commitment and responsiveness to community needs by engaging in activities that promote affordable housing, provide community services, and initiate economic development. A notable example includes a bank officer who served nearly 130 hours as a Board member and on other bank-level committees for a CDFI, a low-income designated credit union, which primarily serves low- and moderate-income households. Another example includes a bank officer who provided almost 30 hours of service on an advisory committee for a non-profit organization that provides homeownership counseling, real estate services, and affordable housing finance options for low- and moderate-income individuals. Further, Bankers Trust has partnered with this organization to provide its affordable home loan programs to qualified applicants.

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

- 1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
- 2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
 - i. The proportion of the bank's lending in the bank's assessment area(s);
 - ii. The dispersion of lending in the bank's assessment areas(s); and
 - iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
- 3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
 - i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
 - ii. Small business and small farm loans to businesses and farms with gross annual revenues of \$1 million or less;
 - iii. Small business and small farm loans by loan amount at origination; and
 - iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
- 4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
- 5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

- 1) The dollar amount of qualified investments;
- 2) The innovativeness or complexity of qualified investments;
- 3) The responsiveness of qualified investments to available opportunities; and
- 4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

- 1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
- 2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
- 3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.*, RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
- 4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

- 1) The extent to which the bank provides community development services; and
- 2) The innovativeness and responsiveness of community development services.

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
Iowa	High Satisfactory	Outstanding	Outstanding	Outstanding
Arizona	High Satisfactory	Outstanding	High Satisfactory	Satisfactory

GEOGRAPHIC AND BORROWER DISTRIBUTION PERFORMANCE TABLES FOR LIMITED-SCOPE ASSESSMENT AREA

Geographic Distribution of Small Business Loans Cedar Rapids Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	4.3	6.9	12	8.9	1,098	4.2
Moderate	16.5	17.0	18	13.3	3,250	12.5
Middle	54.1	48.9	57	42.2	11,297	43.4
Upper	19.9	21.7	29	21.5	5,638	21.7
Not Available	5.3	5.5	19	14.1	4,717	18.1
Totals	100.0	100.0	135	100.0	26,000	100.0
<i>Source: 2020 D&B Data; 2020 CRA Reported Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>						

Geographic Distribution of Home Mortgage Loans Cedar Rapids Assessment Area						
Tract Income Level	% of Owner- Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.9	1.1	0	0.0	0	0.0
Moderate	17.6	13.1	15	9.9	5,252	13.9
Middle	61.5	56.5	84	55.3	23,201	61.2
Upper	19.8	29.2	53	34.9	9,441	24.9
Not Available	0.2	0.1	0	0.0	0	0.0
Totals	100.0	100.0	152	100.0	37,894	100.0
<i>Source: 2015 ACS Data; 2020 HMDA Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>						

Distribution of Small Business Loans by Gross Annual Revenue Category Cedar Rapids Assessment Area						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
<=\$1,000,000						
2019	82.2	48.3	23	34.3	3,368	17.1
2020	84.4	41.2	31	23.0	3,091	11.9
2021	85.8	--	27	30.0	2,679	15.0
>\$1,000,000						
2019	6.3	--	44	65.7	16,303	82.9
2020	5.4	--	53	39.3	17,925	68.9
2021	4.6	--	35	38.9	10,488	58.8
Revenue Not Available						
2019	11.5	--	0	0.0	0	0.0
2020	10.3	--	51	37.8	4,984	19.2
2021	9.6	--	28	31.1	4,685	26.2
Totals						
2019	100.0	100.0	67	100.0	19,671	100.0
2020	100.0	100.0	135	100.0	26,000	100.0
2021	100.0	--	90	100.0	17,852	100.0
Source: 2019, 2020, & 2021 D&B Data; 2019, 2020, & 2021 CRA Reported Data; 2019 & 2020 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

Distribution of Home Mortgage Loans by Borrower Income Level Cedar Rapids Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	18.6	9.5	0	0.0	0	0.0
Moderate	17.7	19.3	9	5.9	1,167	3.1
Middle	23.8	20.0	27	17.8	3,126	8.3
Upper	39.9	31.4	100	65.8	18,441	48.7
Not Available	0.0	19.8	16	10.5	15,160	40.0
Totals	100.0	100.0	152	100.0	37,894	100.0
Source: 2015 ACS Data; 2020 HMDA Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%						

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as non-MSA): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in “loans to small farms” as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.